Import dive cuts April sales total

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

The light-truck market took its first step backward this year with a 4.11 percent sales decline in April.

The decline was caused by a 30.84 percent plunge in sales of imported trucks. Detroit-based manufacturers had a 2.49 percent sales increase.

Overall, 406,633 light trucks were retailed in April, off from 424,084 in April 1987.

For the first four months of the calendar year, sales of 1,620,352 light trucks maintained a respectable 9.61 percent lead over the 1,478,278 retailed a year earlier.

Foreign manufacturers tallied 58,141 sales in April, down from 84,064 a year ago.

For four months of calendar 1988, foreign manufacturers' sales of 234,326 were off 18.76 percent from 288,425 in like 1987.

All the importers except Range Rover, which is still gearing up in the United States, had declines during April, and all except Mitsubishi and Range Rover were down for the first four months of this year.

On the domestic side, Ford and GMC posted small declines in April, while Chevrolet, Chrysler and Jeep continued to chalk up increases.

Minivan sales gains, particularly at Chrysler, continued to pace the industry.

The Dodge Caravan, for example, posted a 47.47 percent gain in April and a 79.83 percent gain for four months. Sales of other minivans also were strong.

LIGHT-DUTY TRUCK SALES

	April 1988	April 1987	4 Mos. 1988	4 Mos. 1987
Vans	15,196	17,128	54,200	59,193
Aerostar	16,358	14,286	63,125	46,478
Club Wagon	2,171	2,684	9,441	9,477
Ranger	25,121	30,281	100,006	107,119
Bronco	4,351	4,536	18,406	16,387
Bronco II	9,226	8,666	39,399	35,199
Pickups	52,226	50,983	202,927	173,610
Ford	**124,649**	**128,982**	**487,504**	**448,443**
Vans	11,721	10,241	45,078	32,794
Sportsvan	1,044	1,132	5,284	4,268
Astro	13,173	13,621	54,820	45,022
S-10	17,659	17,822	79,327	74,542
S-10 Blazer	13,895	11,387	49,930	47,376
El Camino	38	1,184	390	4,202
Blazer	1,958	2,647	9,935	9,665
Suburban	5,201	5,026	20,841	16,438
Pickups	42,056	39,977	170,980	131,172
Chevrolet	**106,745**	**103,037**	**436,585**	**366,479**
Vans	5,925	6,625	21,015	21,127
Ram Wagon	2,586	2,462	9,156	10,103
Voyager	17,606	12,015	61,673	34,814
Caravan	18,077	12,258	68,043	37,837
Mini Ram Van	1,734	1,289	6,025	4,467
Ram 50	5,178	6,486	21,461	23,997
Raider	40	1,885	2,461	5,427
Ramcharger	1,453	1,902	7,433	8,363
Dakota	9,142	9,007	33,136	32,637
Pickups	8,415	9,006	30,163	34,627
Chrysler	**70,670**	**62,995**	**259,566**	**213,299**
Vans	3,931	3,849	15,267	12,719
Safari	2,718	2,916	10,612	9,882
S-15	3,314	3,953	16,464	15,892
S-15 Jimmy	2,797	2,747	11,579	11,771
Jimmy	503	801	2,644	2,645
Caballero	1	162	55	546
Suburban	1,624	1,754	7,107	5,783
Pickups	10,504	11,403	48,654	35,799
P Model	471	997	1,466	2,106
W-4	146	95	475	449
GMC	**26,009**	**28,277**	**112,323**	**97,882**
Wrangler/CJ	3,670	2,701	12,391	9,019
Wagoneer	884	1,099	3,094	4,175
Cherokee	10,924	8,955	45,720	33,867
Grand Wagoneer	819	1,015	4,272	4,256
Comanche	3,903	3,223	13,452	12,181
J-10/J-20	19	9	120	482
Jeep	**20,219**	**17,001**	**78,049**	**63,980**
Toyota	19,406	29,801	77,134	98,687
Nissan	13,918	20,483	55,606	78,611
Mazda	8,522	10,807	35,513	38,638
Isuzu	5,734	9,714	24,861	31,387
Mitsubishi	4,146	4,606	17,110	15,057
Suzuki	6,185	8,341	22,948	28,942
Subaru	2	142	9	839
Range Rover	248	170	1,145	249
Imports	**58,141**	**84,064**	**234,326**	**288,418**
Industry Total	**406,633**	**424,088**	**1,620,352**	**1,478,283**

Compiled by Karen Dabrowski

Volvo puts profit first and has cash to grow

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — AB Volvo has no immediate interest in Mack Trucks, but further North American acquisitions are likely within a few years as Volvo strives to be the world's most profitable heavy-duty truckmaker.

The Swedish firm has to digest its Volvo GM Heavy Truck operation before it can make any further acquisitions in the North American market, said Gunnar L. Johansson, A B Volvo president, in an interview.

"Three to five years would be appropriate" for the assimilation, Johansson said, noting there were five years between the takeover of White Motors in 1981 and the joint venture with General Motors.

Heavy-duty trucks, buses and food products are the designated high-growth sectors for the Swedish-based multi-national company, which posted sales of $15.6 billion in 1987. The United States, Canada and Europe are the prime targets for expansion, Johansson added.

Mack Trucks has been mentioned as a company that might interest Volvo.

Volvo has the cash for several acquisitions: It had $3.7 billion in liquid assets at the end of 1987. Volvo tries to maintain a cash reserve of at least 10 percent of annual sales. Johansson said $1.7 billion is available for acquisitions.

Volvo's growth strategy is two-edged: It is targeting trucks and buses because the return on capital invested is high. For 1987, Volvo trucks earned 24 percent on investment, earning $273 million, while buses returned 23 percent, tallying $30 million in operating income.

Volvo's growing prepared-food operations typically produce a lower rate of return but are steadier. Volvo's interest is part of an effort to balance the pronounced boom-and-bust cycle of the automotive, aerospace and marine and industrial engines industries where the bulk of its business lies.

Johansson

Volvo now trails only Daimler-Benz in heavy-truck volume, but Johansson said the effort is not to overtake the West German company in unit or dollar sales.

"Our long-term objective should be being the most profitable truck maker," he said.

The acquisition of Britain's Leyland Bus in March makes Volvo the largest bus producer in Western Europe. Johansson expects that within three years Volvo's total bus sales will double to $680 million.

Most of the cash surplus comes from operating profits, which companywide last year amounted to $1.1 billion.

But some of Volvo's acquisition war chest came from selling off parts of the business that didn't pay off or didn't fit the company's investment strategy. In the past year, Volvo has sold an Italian steel mill, a mining equipment manufacturing company and, most significantly, its energy exploration and production operations.

Volvo's efforts to balance its vehicle operations, which together accounted for 63 percent of 1987 sales, center on food and trading.

Its acquisition strategy is what Johansson calls "organic" growth, i.e., picking up medium-sized companies with expansion potential in fields where Volvo already has experience. Food-related acquisitions have been slowed because the high interest in Western European food processors has driven up prices.

Navistar adds axles

Lightweight units designed for tandems

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

ANAHEIM, Calif. — Navistar International introduced two lightweight tandem rear axles for use in International trucks at the International Trucking Show here.

The new axles, called X400 and X340, are rated at 40,000 and 34,000 pounds, respectively.

According to Navistar, they will be available exclusively in International trucks, including the premium cab-over-engine 9600 and 9700 models and the conventional 8300 and 9300 models.

The X400 will be available in August, while the X340 is scheduled for early 1989.

The newly designed axles offer weight-saving advantages without sacrificing performance and durability, said Robert M. Shaughnessy, senior vice president, marketing and sales.

Through computer-aided design of major components such as the housing, carrier and forward/rear axle helical drop gears and the use of high-strength/low-alloy steel housings, the new axles weigh 230 pounds less than International's current tandems and as much as 180 pounds less than competitive models, Shaughnessy said.

He added that the X400 and X340 axles are designed specifically to match the specifications and driveline requirements of Navistar's new aerodynamic tractors for line-haul applications.

Those include low-rpm engines, low-profile tires, increased highway speeds and higher load limits. The result is better highway performance, Shaughnessy said.

Both new tandems have a gross combined weight rating of 110,000 pounds for highway applications. Available gear ratios range from 3.06 to 6.14.

Shaughnessy said an important feature of the new tandems is better oil flow to the inter-axle, which is achieved through a new design that provides a full chamber of lube at all times and circulates a constant oil supply even in cold start-up conditions. Navistar has applied for a patent on the design.

Called Consta-Lube, the design greatly decreases spin-out problems and provides longer life, he said. A newly designed optional bolt-on lube pump is also available on the X400 and X340 tandems.

The new tandem rear axles were designed and engineered in cooperation with Dana Corp.'s heavy axle division.

Hot-shotter develops specialty models
Nalley Motor Trucks, Atlanta, developed this Hot Shot with a 42-inch deck height and 10-foot-high loading capability. It is approved for 32,000 pounds GCW. A Super Shot model, below, is approved for 50,000 pounds GCW and a Sure Shot, above, for 65,000 pounds GCW, as is a Peterbilt Powerhouse line of models.

Kelsey chief expects boom in anti-locks

TROY, Mich. — The president of a major supplier firm said rear-wheel-drive anti-lock braking systems will become standard on virtually all North American-built light trucks by the end of the 1990 model year. Also, he said, General Motors will put 200,000 to 300,000 fully powered four-wheel-drive anti-lock-braking systems on its passenger-carrying vans by that time.

John Utley, president and chief operating officer of Kelsey-Hayes Co., said GM's contract for 4wd systems is the largest ever. His company will handle it.

In addition to supplying all the GM, Ford and Chrysler two-wheel-drive and the GM 4wd anti-lock systems, Kelsey-Hayes also will provide the products to Japanese truck manufacturers, both for the light trucks they build in Japan and sell in the United States and for those they produce here.

The company will put a smaller, lighter weight anti-lock system featuring aluminum valves into production in June at a new plant in Fenton, Mich. The company also will produce the units at its Trenton, Mich., facility.

Advertisement

securitag: keeping demo plates under lock and key

Each Securitag lockbox holds one demo tag behind a clear polycarbonate door. The lockbox retains the key until the demo tag is replaced.

One of the on-going concerns of automobile dealership owners and managers has been maintaining control over the use of dealership demonstration license plates or "demo tags."

Mast Corp., Gaithersburg, Md., has developed and is marketing a patented control system, trademarked Securitag, that is designed to solve the problem.

The system consists of a series of lockboxes with the same lock combinations, each with three keys. Each lockbox is designed to hold one demo tag behind a clear polycarbonate door, making the tag visible.

Each sales person is assigned his own numbered key; access to the dealer tag is by the numbered key which will open any one of the lockboxes.

Once the demo tag is removed, the numbered key is seized in the lockbox and cannot be retrieved until the tag is replaced allowing managers to immediately identify who is using a dealer demo tag which greatly reduces the possibility of vehicles being taken out of stock and used without permission.

According to Stuart Brooks, president of Mast Corp., use of Securitag reduces the number of demo tags required, since a small pool of tags is adequate for the shift operations dealerships use, and tags will always be available for vehicle demonstration purposes.

Brooks, noting that some dealerships attempt to control use of their demo tags by using a sign-out system, says, "At best, this is time-consuming and marginally effective."

He adds: "Securitag's loss control system simplifies demo tag control by making a tag readily available at all times for the sales person's use, but at the same time allows management continual monitoring ability, eliminating the need for constant tag checks."

Brooks also notes that, with dealers paying increased attention to insurance premiums and dealership liability, a significant feature of his system is that it provides 24-hour control over the use of demo tags, "thereby reducing the dealership's contingent liability," he says.

According to Brooks, since the system's introduction in December 1986, more than 250 dealerships nationwide have installed Securitag. ■

MAST CORPORATION
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or
800-642-4522
US PATENT #4337.967

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PERSONNEL

FROM PAGE 21

been named parts and service manager in the Southeast region. He formerly was that region's service training instructor.

Ken Holland will replace Voiles as service training instructor in the Southeast region. He formerly operated his own commercial truck repair service.

Peugeot

William Baxter has been named district parts manager in New England for Peugeot Motors of America.

Baxter formerly was a sales representative with Wurth USA.

Chevrolet

Chevrolet announced three appointments to its central office and branch office sales and marketing staffs.

Daniels

Roger G. Daniels has been named area marketing manager, West. He formerly was branch manager in New York. Daniels joined Chevrolet in 1963 as a district manager in the Southwest region.

Donald P. Oberg was named branch manager in New York, succeeding Daniels. Oberg formerly was branch manager in St. Louis. He joined Chevrolet in 1957 in the Detroit zone.

Oberg

Harris

Maynard M. Harris has been appointed St. Louis branch manager, succeeding Oberg. Harris formerly was marketing center manager in Washington. He joined Chevrolet in 1959 in the Richmond zone.

David B. Hederich has been named manager of technical and motorsports news for Chevrolet's public relations staff, and **Suzanne M. Kane** has been promoted to Central states news relations manager.

Hederich handled racing publicity for Goodyear for seven years before joining Cadillac in 1986. Kane has been with Chevrolet's PR staff since 1970, most recently as director of Team Chevrolet Today, a monthly television production. In her new post, she succeeds **Robert M. Whisner.**

Paccar Leasing

Paccar Leasing Corp. has appointed three regional managers.

Tim Stoner will oversee 10 PacLease franchises in the Central region. He will be based in Denver.

Greg Olsen, based in Minnesota, will supervise 14 franchises there. Osen formerly was with Leaseway.

Robert Cagle has been named regional manager in Eastern Canada. Cagle will also manage Paccar Leasing of Canada.

General Motors

Gerald E. Holmes has been named director of public affairs for the Saginaw and Central Foundry divisions of General Motors.

Holmes joined Oldsmobile in 1964 and has served in public relations posts at Saginaw and Detroit Diesel Allison divisions and with the GM truck and bus group.

Sheller-Globe

James W. McLernon has joined Sheller-Globe Corp. as business adviser — General Motors. He will serve on Sheller-Globe's new business development committee and will be primarily responsible for developing and maintaining its business with GM.

McLernon was Chevrolet general manufacturing manager from 1969 to 1976. He then joined Volkswagen of America and was president and chief executive from 1978 to 1983. Since 1983, he has been executive vice president in charge of operations for Creative Industries Group, an engineering services company serving the automotive and aerospace industries.

Budd Co.

William L. Kozyra has been promoted to chief engineer, product engineering of Budd Co.'s wheel and brake division.

Kozyra

He joined Budd in 1977 as an engineering co-op student. Most recently, he was manager, brake engineering.

Budd Co.'s products include steel stampings, frame components, heavy truck wheels and brake parts.

GE Capital Auto Auctions

Liese C. Spiegelberg has been promoted to vice president, market and product development of GE Capital Auto Auctions.

see PERSONNEL, page 24

IMPORT SALES BY MODEL

	April 1988	April 1987	4 Mos. 1988	4 Mos. 1987
ACURA	10,000	9,503	39,095	31,000
Integra	4,440	5,252	17,364	18,418
Legend	6,160	4,251	21,731	12,582
ALFA ROMEO	577	492	1,885	2,128
GTV-6	500	0	503	0
Milano	70	0	797	0
Spider	7	0	585	0
AUDI	2,073	4,901	7,347	11,434
4000S	20	325	129	1,523
4000CS Quattro	4	125	54	685
5000S	658	3,283	1,951	6,617
5000CS Turbo	105	663	348	1,208
5000CS Turbo Quattro	121	428	532	1,061
80	597	0	2,280	0
90	545	0	2,178	0
Coupe GT	23	77	166	370
BMW	6,129	8,400	22,691	27,496
318i	2	2	8	8
524 TD	2	1	3	23
325	3,629	4,886	13,200	18,459
528e	704	804	2,818	3,361
535i/535iS	385	1,254	1,590	2,725
6-Series	164	190	511	671
7-Series	1,005	1,158	3,880	1,970
M3	166	0	800	0
M5	23	22	115	62
M6	39	80	166	207
CHEVROLET	8,855	10,657	39,973	39,971
Spectrum	5,652	6,383	23,926	24,317
Sprint	3,203	4,274	16,048	15,654
CHRYSLER/MITSUBISHI	9,642	10,226	39,028	39,688
Colt	7,399	6,584	29,426	25,132
Conquest	797	1,240	3,202	4,483
Vista	1,446	2,402	6,400	10,273
DAIHATSU	753	0	3,340	0
EAGLE/RENAULT	671	1,162	7,194	2,301
18i	0	0	0	0
Fuego	0	0	0	0
Medallion	671	1,162	7,194	2,301
FORD Festiva	5,461	351	23,523	351
HONDA	19,702	20,448	79,542	84,263
Civic/CRX	9,602	8,021	42,945	36,436
Accord	7,365	7,779	20,138	26,895
Prelude	2,735	4,648	16,459	18,932
HYUNDAI	25,157	21,320	96,163	77,484
ISUZU	1,744	2,953	6,428	8,442
I-Mark	1,299	2,284	4,363	5,841
Impulse	445	669	2,065	2,601
JAGUAR	1,758	1,460	6,180	5,528
XJ6	1,288	1,140	4,852	4,141
XJS	470	320	1,328	1,387
MASERATI	98	94	347	342
MAZDA	16,618	13,020	75,656	53,300
323	6,751	4,751	31,160	20,307
626	4,745	5,143	21,435	21,311
MX-6	731	0	4,837	0
929	2,056	0	8,163	0
RX-7	2,535	3,126	10,061	11,682
MERCEDES BENZ	8,341	7,731	27,843	29,851
190	1,731	1,583	4,970	6,388
190E	806	562	2,466	1,748
300	2,554	1,949	7,877	7,917
300SDL Turbo	2	587	78	2,348
300SEL	583	0	2,471	0
420SEL	867	1,111	3,367	4,407
560SEL	449	532	1,871	2,183
560SL	1,147	1,109	3,882	3,964
560SEC	129	186	578	635
Tourist	33	113	101	281
MERKUR	947	541	3,214	2,656
XR4Ti	456	541	1,742	2,656

	March 1988	March 1987	3 Mos. 1988	3 Mos. 1987
Scorpio	491	0	1,472	0
MITSUBISHI	6,054	6,275	22,327	20,348
Starion	462	577	1,229	1,956
Cordia	765	429	2,139	1,412
Tredia	93	457	376	1,408
Mirage	1,143	1,189	3,980	4,836
Galant	1,505	1,183	4,102	4,284
Precis	1,481	1,820	6,348	4,277
Van/Wagon	805	640	2,135	2,195
NISSAN	31,197	29,067	123,380	148,530
Sentra	13,408	6,984	52,623	45,253
Pulsar	3,788	5,287	14,414	23,443
Stanza	6,774	4,348	23,184	21,995
Maxima	4,136	6,512	19,150	29,696
200SX	1,028	2,632	4,688	12,451
300ZX	1,878	3,133	7,982	14,738
Hawaii	187	211	1,419	1,003
PEUGEOT	712	706	1,959	2,979
PONTIAC LeMans	6,717	0	20,713	0
PORSCHE	1,523	2,288	5,940	8,151
924S	122	276	665	858
944	388	528	1,488	1,836
944S	33	241	220	976
944 Turbo	185	258	782	919
911 Coupe	372	427	1,226	1,458
911 Turbo	114	151	381	463
911 Cabriolet	198	241	680	887
928S	133	168	516	660
SAAB	2,807	3,149	12,598	13,911
900	563	675	2,149	2,908
900S	811	1,040	3,273	4,349
900 Turbo	779	603	2,891	2,858
9000S	185	471	1,204	1,132
9000 Turbo	469	286	2,985	2,662
Tourist	20	72	80	206
STERLING	546	1,621	3,600	4,199
SUBARU	11,535	12,102	48,033	47,045
Hatchback	580	545	2,344	2,535
3-Door	719	995	2,456	3,882
4-Door Sedan	2,254	2,951	8,535	11,588
XT	1,274	1,508	4,519	6,135
Station Wagon	4,798	5,307	19,640	20,026
Justy	1,900	796	10,540	2,879
TOYOTA	43,005	43,339	170,655	144,456
Corolla	10,220	8,210	42,431	27,691
Tercel	6,967	7,172	25,642	23,434
Celica	5,041	6,644	19,627	21,545
Supra	1,437	2,699	6,675	8,797
Camry	15,748	13,158	57,710	42,983
Cressida	919	1,999	4,036	6,948
Land Cruiser	642	321	2,715	1,290
Van	387	1,223	2,149	4,700
4Runner SR 5	1,549	110	6,334	424
MR2	677	1,565	3,336	6,358
Hawaii	0	280	0	1,278
VOLKSWAGEN	11,922	13,847	48,343	34,834
Cabriolet	1,368	1,581	4,992	4,436
Jetta	5,381	4,630	21,026	18,201
Vanagon	482	1,028	2,130	3,120
Quantum	225	841	961	1,966
Scirocco	244	791	1,165	2,317
Fox	4,222	5,356	18,505	6,792
VOLVO	7,976	10,255	32,099	42,479
240 Series	5,238	4,878	14,879	20,669
700 Series	1,770	4,213	13,280	16,936
780 Series	780	987	3,325	4,423
740	138	0	445	1
Tourist	54	167	164	448
YUGO	3,100	4,357	12,021	16,161
IMPORT TOTAL	247,930	240,234	961,126	901,[illegible]

*Total Adjusted

Compiled by Ward's Automotive

DOMESTIC DAYS' SUPPLIES

	May 1, 1988	Apr. 1, 1988	May 1, 1987
Allanté	60	78	171
Eagle	61	63	131
Premier	134	133	0
Total Eagle	123	117	139
Horizon	89	71	55
Sundance	86	89	95
Turismo	77	82	85
Reliant	42	40	52
Caravelle	47	50	90
Gran Fury	39	52	83
Total Plymouth	59	64	70
Laser	0	0	83
LeBaron K	86	84	94
LeBaron J	57	43	105
LeBaron GTS	134	147	101
Fifth Avenue	56	47	93
New Yorker C	102	82	0
New Yorker E	28	28	95
Total Chrysler	73	66	97
Omni	97	76	51
Shadow	80	67	132
Charger	69	69	42
Daytona	48	72	104
Aries	51	47	54
Lancer	185	139	127
Diplomat	82	77	96
Dynasty	53	35	0
Dodge 600	70	61	90
Total Dodge	69	56	75
CHRYSLER MTRS.	65	58	79
Escort	73	62	69
Mustang	44	44	46
Tempo	70	69	73
Taurus	53	47	69
Thunderbird	87	81	71
Probe	69	69	0
Crown Victoria	60	47	48
Total Ford Div.	64	55	65
Lynx/Tracer	98	101	105
Topaz	70	66	74
Sable	36	52	69
Cougar	79	74	87
Grand Marquis	45	46	59
Total Mercury	69	62	65
Continental	18	16	68
Lincoln	69	67	90
Mark VII	65	57	58
Total Lincoln	57	51	62
Total L-M Division	64	60	75
FORD MOTOR CO.	64	56	66
Skyhawk	160	118	143
Somerset Regal	101	71	102
Century	70	53	85
Regal	86	78	74
LeSabre	58	43	75
Reatta	87	82	0
Electra	101	57	105
Riviera	62	58	64
Total Buick	81	61	90
Cimarron	136	131	114
Allante	139	147	67
Seville	64	80	73
Cadillac	71	77	86
Eldorado	76	64	78
Total Cadillac	73	79	80
Chevette	256	126	48
Nova	64	68	77
Cavalier	62	58	64
Camaro	74	73	54
Celebrity	65	68	44
Corsica/Beretta	59	63	119
Monte Carlo	100	112	133
Chevrolet	77	69	91
Corvette	69	75	91
Total Chevrolet	66	67	71
Firenza	115	137	153
Calais	84	74	57
Cutlass Ciera	58	49	66
Cutlass Supreme	98	71	73
Olds 88	60	56	77
Olds 98	83	66	106
Toronado	63	75	55
Total Oldsmobile	72	61	74
Fiero	120	106	76
1000	157	85	50
Sunbird	58	58	61
Firebird	53	51	58
Grand Am	45	48	48
6000	54	59	91
Grand Prix	46	42	101
Bonneville H	47	47	0
Paris./Safari	82	76	99
Total Pontiac	52	52	72
GENERAL MTRS.	67	63	76
HONDA	12	11	9
MAZDA	42	50	0
NISSAN	51	63	80
TOYOTA	43	34	65
VOLKSWAGEN	113	152	114
DOM. TOTAL	63	58	72
Subcompact	48	45	—
Compact	54	53	—
Intermediate	65	59	—
Standard	64	58	—
Specialty	95	94	—

Domestic stocks dip; import supplies climb

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

The industry's inventory of unsold domestic cars and imported vehicles on May 1 was slightly larger than it was a month earlier. It was greater in its absolute number of vehicles and in days' supply.

A rise in import inventories offset a slight decline in the supply of domestic autos.

The stockpile of domestic cars May 1 was 1,571,272 units, the equivalent of a 63-day supply at current rates of sales. A month before, there were 1,574,529 unsold units, equal to a 58-day supply at that time, when cars were selling faster, according to an Automotive News analysis.

The total number of domestic units was the lowest since last Nov. 1 when there were 1,558,931 cars, or an 80-day supply, on hand.

The May 1 figures for imports showed increases in both cars and trucks, compared with April 1.

There were 689,099 cars from abroad in the May 1 stockpile, a 73-day supply, compared with 670,608 cars, a 67-day inventory, a month before. The stock of imported trucks totaled 206,591 units, an 84-day supply, compared with 201,420 units, the equivalent of a 74-day supply at the selling rate of a month ago.

The total import inventory, cars and trucks, was 895,690, or a 75-day supply, vs. a total of 872,028 units, a 69-day supply, a month before.

The domestic makers have said they intend to try to keep stocks at lower levels by means of trimmed production scheduling and sales incentive drives.

On May 1, 1987, the domestic car total stood at 1,912,132 units, a 72-day supply. For imported cars, the total was 567,879, or a 61-day supply. For imported trucks the year-ago total was 238,832, a 67-day supply. The combined import car and truck figure for May 1 last year was 806,711, the equivalent of a 63-day inventory at then-current sales rates.

There is a rule of thumb in the domestic industry that says a 60-day supply is optimal. For imports, the rule of thumb says the ideal before-quotas inventory was a 65-day supply.

By size class, the May 1 domestic inventory shaped up this way: Intermediate, 42.54 percent; compact, 24.26 percent; standard, 18.66 percent; subcompact, 13.33 percent; and specialty, 1.21 percent.

Inventories of unsold domestic cars as of May 1 by company as a percent of the total shaped up this way: General Motors, 51.40 percent; Ford Motor Co., 29.10 percent; Chrysler Motors, 15.19 percent; Nissan, 1.34 percent; Volkswagen, 1.28 percent; Honda, 1.03 percent; Toyota, 0.43 percent and Mazda, 0.23 percent.

By nation of origin, import-car stocks stood this way as of May 1 this year: Japan, 61.82 percent; West Germany, 14.61 percent; and others, 23.57 percent.

Among standouts in the inventory picture was the Lincoln Continental with a scant 16-day stock, up from just 10 days on April 1.

On the other side of the coin were Dodge Lancer with 185 days, Cadillac Allante with 139 days and Eagle Premier with 134 days.

IMPORT DAYS' SUPPLIES

	May 1, 1988	Apr. 1, 1988	May 1, 1987
Chevrolet	169	153	131
Chrysler/Mitsubishi	143	126	93
Acura	35	26	41
Daihatsu	80	78	0
Honda	11	10	12
Isuzu	100	154	104
Mazda	58	48	68
Mitsubishi	100	105	48
Nissan	112	98	90
Subaru	110	97	115
Toyota	22	18	27
JAPAN	69	64	61
Audi	180	231	116
BMW	85	85	64
Mercedes-Benz	29	34	38
Merkur	181	208	144
Porsche	90	80	82
VW	97	92	84
GERMANY	85	87	75
Alfa Romeo	85	65	124
Festiva	130	102	156
Hyundai	53	45	22
Jaguar	65	55	31
Peugeot	90	83	89
Yugo	78	86	0
Eagle/Renault	253	49	283
Saab	67	61	61
Sterling	107	81	45
Volvo	71	78	55
Yugo	127	127	39
Other Countries	76	67	46
Total Import Cars	73	67	61
Isuzu	152	123	74
Mazda	61	58	77
Mitsubishi	74	82	69
Nissan*	104	110	79
Range Rover	42	30	37
Suzuki	104	86	14
Toyota	43	31	61
Chrysler	122	114	97
Total Imp. Trucks	84	74	67
Total Imp. Vehicles	75	69	63

*—Includes domestic trucks

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AUCTION DATES

Chrysler Motors

May 17 — Florida Auto Auction of Orlando, Ocoee, Fla.; Dallas Auto Auction, Grand Prairie, Texas; Hatfield Auto Auction, Hatfield, Pa.; Arena Auto Auction, Chicago; Riverside Auto Auction, Riverside, Calif.; Portland Auto Auction, Portland, Ore.; and Greensboro Auto Auction, Greensboro, N.C.

May 18 — Columbus Fair Auto Auction, Obetz, Ohio; Nashville Auto Auction, Nashville, Tenn.; and Southern Auto Auction, Warehouse Point, Conn.

May 19 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; Salt Lake City Auto Auction, Salt Lake City; and Ark-La-Tex Auto Auction, Shreveport, La.

May 20 — St. Louis Auto Auction, Bridgeton, Mo.

May 24 — Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Aptco Auto Auction, Taylor, Mich.; Denver Auto Auction, Aurora, Colo.; South Seattle Auto Auction, Kent, Wash.; and Golden Gate Auto Auction, Fremont, Calif.

May 25 — Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; and Minneapolis Auto Auction, Plymouth, Minn.

May 26 — Northway Exchange, Clifton Park, N.Y.; Clanton's Auto Auction, Darlington, S.C.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Southwest Auto Auction, Phoenix, Ariz.

Ford Motor Co.

May 17 — South Seattle Auto Auction, Kent, Wash.

May 18 — Columbus Fair Auto Auction, Obetz, Ohio; Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fontana, Calif.; Newburgh Auto Auction Inc., Newburgh, N.Y.; Salt Lake Auto Auction, Salt Lake City; and West Palm Beach Auto Auction, West Palm Beach, Fla.

May 19 — Baltimore-Washington Auto Exchange, Baltimore

May 24 — Harrisonburg Auto Auction, Harrisonburg, Va., and Bay Cities Auto Auction Inc., Hayward, Calif.

May 25 — Lakeland Auto Auction, Lakeland, Fla.

General Motors

May 17 — Florida Auto Auction of Orlando, Ocoee, Fla.

May 18 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

May 19 — Big H Auto Auction, Houston; Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville, Tenn.; and Southwest Auto Auction, Phoenix, Ariz.

May 20 — Nevada Auto Auction, Las Vegas, Nev.

May 24 — Harrisonburg Auto Auction, Harrisonburg, Va.; Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; South Seattle Auto Auction, Kent, Wash.; and Auto Dealers Exchange of Birmingham, Moody, Ala.

May 25 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Indianapolis Auto Auction, Indianapolis; Riverside Auto Auction, Riverside, Calif.; and Omaha Auto Auction, Omaha, Neb.

Used Car Sales
Auction Averages

May 88	$5,731
Month ago	$5,621
Year ago	$5,868

Model Breakdown
Auction Averages

	MAY 1988	APR 1988	MAR 1988
1988	$12,575	$12,483	$12,283
1987	$8,694	$8,638	$8,682
1986	$7,197	$7,190	$6,927
1985	$5,657	$5,904	$5,837
1984	$4,498	$4,438	$4,380
1983	$3,799	$3,792	$3,765
1982	$2,445	$2,398	$2,534
1981	$1,972	$1,937	$1,906
Overall Average	$5,731	$5,722	$5,589

Anglo revenues, profits climb for 1987

Anglo American Auto Auctions, a division of British-owned ADT Security Systems, had revenues of $79.5 million for fiscal 1987, up 35 percent over the previous year's revenues of $58.7 million. The 1987 figure was based on value of vehicles sold of $2.56 billion.

Pretax profits for 1987 were $15.5 million, up 119 percent over 1986 earnings of about $7.1 million. Auto reconditioning fees accounted for about 24.5 percent of total revenues.

The company had a 27 percent increase in consignments to 680,014 from 535,609 in 1986. Vehicles sold in 1987 totaled 398,076 or 58.5 percent of vehicles consigned.

Much of Anglo's growth was due to the acquisition of eight auctions in 1987, bringing the number of U.S. outlets to 20.

AUCTION BRIEFS

CHARLES THOMAS

The company also purchased a 30-acre site in Tucson, Ariz., and 50 acres in Phoenix, Ariz., for construction of two "greenfield" auctions — one to open in October.

Anglo said it spent approximately $40 million on capital improvements in 1987 at 15 of its 20 auctions.

Vintage car auction

Officials at the Imperial Palace Hotel and Casino in Las Vegas said their second annual antique auto auction, held in late April, set a record with $22.7 million in sales. Sales totaled 544 cars.

The top draw was a 1932 Hispano-Suiza J-12 Phaeton that sold for $1 million, sale officials said. Kruse International hosted the auction.

Buyers from 17 foreign countries were represented at the event and over $12 million in sales was foreign money.

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PRODUCTION

Truck output slips after record week

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

U.S. truckmakers scheduled production of 86,460 units last week, 3.96 percent below the previous week's 90,021 but 5.51 percent more than the year-ago week's 81,941.

The prior week's truck production was the highest ever, surpassing the previous record of 88,469 set the week ended March 26, 1988.

Year-to-date, 1,602,027 trucks have been assembled, 11.25 percent more than the 1,440,075 built last year at this time.

Automakers scheduled output of 166,691 cars last week, 3.79 percent more than the prior week's 160,603 and 13.29 percent more than the year-ago week's 147,143.

So far this year, 2,666,425 cars have been assembled, 10.61 percent below the 2,982,988 completed last year at this point.

Companies split last week's targeted production as follows: General Motors, 47.96 percent; Ford Motor Co., 25.07 percent; Chrysler Motors, 15.78 percent; Honda of America Manufacturing Inc., 5.10 percent; New United Motor Manufacturing Inc., 1.95 percent; Nissan Motor Manufacturing Co. U.S.A., 1.57 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 1.37 percent; and Volkswagen of America, 1.20 percent.

VWoA's plant in Westmoreland, Pa., resumed output last week building only the Golf and GTI models. Jetta production has ended, and the plant is scheduled to close permanently in mid-July, affecting about 2,500 workers.

Overtime was scheduled last Friday at GM's plant in Janesville, Wis.

GM slated overtime last Saturday at its Lansing, Mich.; Arlington, Texas; Fort Wayne, Ind.; and Lordstown, Ohio, plants.

Ford scheduled Saturday overtime at five plants. They were: Wixom, Mich.; Edison, N.J.; Wayne, Mich.; Kansas City, Mo.; and Norfolk, Va.

Daily overtime is slated at all Ford plants this week.

Canada on roll in car assembly

Canadian automakers scheduled the highest production in history last week. Output was targeted at 27,276 cars, topping the previous record of 26,733 set the week ended Dec. 14, 1985.

Last week's estimated production was 2.05 percent more than the previous week's 26,727 and 67.97 percent more than the year-ago week's 16,239. The 26,727 for the week ended May 7 was six units short of the all-time high.

So far this year, 445,708 cars have been built, 40.58 percent more than the 317,052 built last year at this point.

Truck production was scheduled at 20,030 units last week, 1.62 percent below the preceding week's 20,359 but 21.23 percent more than the year-ago week's 16,522.

Year-to-date, 366,335 trucks have been assembled, 17.53 percent more than the 311,697 built last year at this time.

U.S. CAR	Week Ended May 14, 1988	Week Ended May 16, 1987	Week Ended May 7, 1988	May to Date	Jan. 1 to May 14, 1988	Jan. 1 to May 16, 1987
Alliance	0	1,015	0	0	0	13,072
Total Eagle	0	1,015	0	0	0	13,072
Horizon	2,200	0	2,183	4,383	35,368	32,997
Sundance	1,900	2,076	1,873	3,773	40,316	41,381
Reliant	2,600	2,118	2,634	5,234	37,441	47,381
Caravelle	500	1,105	469	969	7,879	22,009
Gran Fury	300	270	284	584	4,756	1,248
Total Plymouth	7,500	5,569	7,443	14,943	125,760	145,016
LeBaron K	500	1,505	499	999	7,242	33,526
LeBaron J	2,200	3,524	1,921	4,121	25,449	43,497
LeBaron GTS	200	1,037	186	386	3,296	16,468
N. Yorker E-Class	0	1,625	0	0	0	33,976
N. Yorker C-Class	2,850	0	2,814	5,664	44,086	0
Fifth Avenue	350	1,735	329	679	13,242	13,644
Total Chrysler	6,100	3,426	5,749	11,849	91,615	141,111
Omni	2,100	0	2,112	4,212	35,142	28,363
Daytona	2,200	1,761	1,924	4,124	24,589	20,592
Shadow	2,600	2,506	2,574	5,174	41,956	40,128
Aries	2,300	2,906	2,286	4,586	31,580	43,940
Dodge 600	500	993	462	962	7,060	19,345
Dynasty	2,300	0	2,331	4,631	42,361	0
Lancer	200	674	217	417	4,265	10,460
Diplomat	500	409	525	1,025	8,979	1,816
Total Dodge	12,700	9,249	12,431	25,131	195,932	164,644
CHRYSLER MOTORS	26,300	25,259	25,623	51,923	413,307	463,843
Escort	9,602	9,114	9,339	18,941	135,929	140,928
Mustang	4,126	4,480	4,172	8,298	81,382	84,248
Tempo	4,050	4,543	4,096	8,146	76,626	75,141
Taurus	8,746	7,858	8,729	17,475	152,864	172,585
Thunderbird	3,520	4,659	2,872	6,392	60,812	62,298
Total Ford Div.	30,044	30,654	29,208	59,252	507,613	535,200
Lynx	0	244	0	0	0	18,656
Topaz	1,472	1,742	1,420	2,892	28,454	23,768
Cougar	2,525	3,089	2,860	5,385	46,433	63,719
Sable	3,515	2,604	3,524	7,039	52,929	54,376
Total Mercury	7,512	7,679	7,804	15,316	127,816	160,519
Continental	945	418	1,117	2,062	17,308	7,101
Mark VII	466	607	544	1,010	9,741	10,630
Lincoln	2,826	3,075	3,327	6,153	56,113	53,188
Total Lincoln	4,237	4,100	4,988	9,225	83,162	70,919
Total L-M Division	11,749	11,779	12,792	24,541	210,978	231,438
FORD MOTOR CO.	41,793	42,433	42,000	83,793	718,591	766,638
Skyhawk	0	64	0	0	11,350	13,780
Skylark/Somerset	1,775	1,146	1,836	3,611	15,634	29,896
Century	3,375	1,980	3,190	6,565	36,624	73,435
Regal (rwd)	0	1,224	0	0	0	17,485
Riviera	128	244	147	275	2,640	6,847
Electra	2,145	0	2,370	4,515	31,161	39,572
LeSabre (fwd)	2,500	0	2,500	5,000	49,186	44,079
LeSabre (rwd)	280	9	274	554	3,584	4,833
Reatta	187	0	154	341	1,959	0
Total Buick	10,390	4,667	10,471	20,861	152,138	229,927
Cimmaron	54	245	113	167	3,693	6,299
Eldorado	1,006	572	1,170	2,176	15,579	6,819
Seville	601	524	701	1,302	9,842	9,393
Brougham (rwd)*	977	1,164	977	1,954	13,871	33,516
Deville (fwd)	3,540	2,950	3,555	7,095	70,598	83,223
Allante	65	119	65	130	995	1,288
Total Cadillac	6,243	5,574	6,581	12,824	114,578	120,538
Cavalier	8,991	7,759	7,150	16,141	131,729	141,918
Camaro	2,425	2,234	2,572	4,997	31,137	40,468
Celebrity	5,085	8,121	5,140	10,225	64,997	144,109
Corsica/Beretta	9,360	3,838	9,282	18,642	153,936	104,367
Monte Carlo	0	1,418	0	0	0	29,354
Caprice	4,746	1,943	4,357	9,103	74,647	86,617
Corvette	440	646	448	888	8,140	11,567
Total Chevrolet	31,047	25,959	28,949	59,996	464,586	558,400
Calais	3,025	3,694	2,949	5,974	42,640	46,828
Firenza	0	55	0	0	5,220	3,465
Cutlass Ciera	150	4,754	0	150	150	71,340
Cutlass Supreme	4,250	1,168	3,995	8,245	80,326	28,382
Toronado	405	524	471	876	6,962	6,759
88 (fwd)	3,429	1,935	3,962	7,391	62,963	80,350
88 (rwd)	235	372	268	503	4,970	7,366
Olds 98	1,595	722	1,584	3,179	32,330	30,359
Total Oldsmobile	13,089	13,224	13,229	26,318	235,561	278,447
Sunbird	2,635	2,200	2,292	4,927	40,905	45,573
Grand Am	6,000	6,234	5,301	11,301	92,116	99,577
Firebird	1,695	1,537	1,478	3,173	23,464	30,994
Grand Prix	3,385	0	3,629	7,014	43,591	0
Pontiac 6000	2,025	0	1,838	3,863	29,743	32,135
Bonneville	2,728	3,113	3,142	5,870	40,626	56,863
Safari/Partsienne	235	0	227	462	3,286	4,848
Fiero	488	1,134	512	1,000	7,705	15,155
Total Pontiac	19,191	14,218	18,419	37,610	281,436	285,145
GENERAL MOTORS	79,960	63,642	77,649	157,609	1,248,299	1,472,457
HONDA	8,499	6,718	7,221	15,720	140,763	125,836
Civic	2,857	1,831	1,815	4,672	36,765	38,899
Accord	5,642	4,887	5,406	11,048	103,998	86,937
MAZDA†	2,279	0	2,278	4,557	29,980	0
NISSAN	2,610	2,989	2,516	5,126	35,275	53,453
NUMMI	3,250	4,143	3,316	6,566	60,926	73,234
Corolla	1,200	851	1,215	2,415	22,449	14,868
Nova	2,050	3,292	2,101	4,151	38,477	58,366
VOLKSWAGEN	2,000	1,959	0	2,000	19,284	27,527
Golf/GTI	2,000	1,709	0	2,000	13,731	22,827
Jetta	0	250	0	0	5,553	4,700
Total Cars, U.S.	166,691	147,143	160,603	327,294	2,666,425	2,982,988
Total Cars, Canada	27,276	16,239	26,727	54,003	445,708	317,052
U.S., Canada Cars	193,967	163,382	187,330	381,297	3,112,133	3,300,040
U.S., Canada Cars and Trucks	300,457	261,845	297,710	598,167	5,080,495	5,051,812

Monthly estimates may contain error of one or two units due to rounding.
*—Estimate. †—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended May 14, 1988	Week Ended May 16, 1987	Week Ended May 7, 1988	May to Date	Jan. 1 to May 14, 1988	Jan. 1 to May 16, 1987
Eagle	0	—	0	0	0	—
Premier	1,650	—	1,658	3,308	27,525	—
CHRYSLER MOTORS	1,650	88	1,658	3,308	27,525	2,475
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	4,292	—	4,164	8,456	78,588	—
Topaz	1,348	—	1,393	2,741	26,753	—
Crown Victoria	2,851	—	2,890	5,741	53,328	—
Grand Marquis	2,909	—	2,901	5,810	52,865	—
FORD MOTOR CO.	11,400	11,119	11,348	22,748	211,534	205,001
Celebrity	700	—	633	1,333	7,344	—
Cutlass Ciera	7,196	—	7,125	14,321	101,164	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	1,400	—	1,402	2,802	19,808	—
Regal	3,800	—	3,670	7,470	63,283	—
GENERAL MOTORS	13,096	4,488	12,830	25,926	191,599	102,124
HONDA	950	319	730	1,680	12,554	3,447
VOLVO	180	225	161	341	2,496	4,005
Total Cars, Canada	27,276	16,239	26,727	54,003	445,708	317,052

U.S. TRUCK☆	Week Ended May 14, 1988	Week Ended May 16, 1987	Week Ended May 7, 1988	May to Date	Jan. 1 to May 14, 1988	Jan. 1 to May 16, 1987
Caravan	1,900	—	2,190	4,090	38,162	—
Dakota	2,000	—	2,016	4,016	45,571	—
Mini-Ram Van	300	—	325	625	5,911	—
Pickups	2,000	—	1,997	3,997	24,491	—
Total Dodge	6,200	6,714	6,528	12,728	114,135	94,093
Cherokee	3,700	—	4,415	8,115	67,979	—
Commanche	900	—	995	1,895	18,267	—
Grand Wagoneer	300	—	350	650	5,565	—
Pickups	0	—	0	0	0	—
Wagoneer	200	—	282	482	4,949	—
Total Jeep	5,100	4,485	6,042	11,142	101,960	83,576
Voyager	1,800	—	2,057	3,857	35,294	—
Total Plymouth	1,800	—	2,057	3,857	35,294	—
CHRYSLER MOTORS	13,100	11,199	14,627	27,727	251,389	177,669
Aerostar	4,472	—	4,413	8,885	84,826	—
Bronco	1,240	—	1,236	2,476	23,401	—
Bronco II	2,516	—	2,345	4,861	53,456	—
Econoline	5,136	—	5,163	10,299	95,351	—
Heavy trucks	1,484	—	1,473	2,957	25,852	—
Light trucks	10,346	—	11,597	21,943	195,545	—
Ranger	7,773	—	7,589	15,362	139,296	—
Total Ford Div.	32,967	31,677	33,816	66,783	617,727	582,121
FORD MOTOR CO.	32,967	31,677	33,816	66,783	617,727	582,121
Astro	3,288	—	3,721	7,009	65,979	—
Blazer	530	—	628	1,158	10,530	—
Mediums/Heavies	385	—	476	861	6,801	—
P-Model	897	—	802	1,699	14,948	—
Pickups	7,696	—	7,623	15,319	125,938	—
S-10	5,903	—	7,273	13,176	109,227	—
S-10 Blazer	3,636	—	4,386	8,022	61,171	—
Sportsvan/Van	2,319	—	1,954	4,273	31,202	—
Suburban	1,486	—	1,815	3,301	27,863	—
Total Chevrolet	26,140	24,784	28,678	54,818	453,659	429,146
Jimmy	155	—	210	365	3,274	—
Mediums/Heavies	861	—	797	1,658	16,804	—
P-Model	123	—	181	304	1,777	—
Pickups	2,439	—	1,624	4,063	39,912	—
S-15	1,317	—	904	2,221	25,877	—
S-15 Jimmy	989	—	766	1,755	16,002	—
Safari	834	—	926	1,760	17,011	—
Suburban	571	—	698	1,269	13,559	—
Vandura/Rally Vans	674	—	537	1,211	14,816	—
Total GMC	7,963	8,057	6,643	14,606	149,032	145,500
GENERAL MOTORS	34,103	32,841	35,321	69,424	602,691	574,646
NAVISTAR	1,870	1,660	1,890	3,760	33,443	29,050
NISSAN	1,670	1,814	1,617	3,287	45,077	31,889
AM GENERAL*	450	450	450	900	8,460	3,300
MISCELLANEOUS*	2,300	2,300	2,300	4,600	43,240	41,400
Total Trucks, U.S.	86,460	81,941	90,021	176,481	1,602,027	1,440,075

CANADIAN TRUCK	Week Ended May 14, 1988	Week Ended May 16, 1987	Week Ended May 7, 1988	May to Date	Jan. 1 to May 14, 1988	Jan. 1 to May 16, 1987
Caravan	3,126	—	3,100	6,226	57,426	—
Mini-Ram Van	330	—	344	674	5,484	—
Ram Wagon	540	—	554	1,094	9,336	—
Ram Van	1,510	—	1,467	2,977	23,803	—
Total Dodge	5,506	8,029	5,465	10,971	96,049	159,372
Voyager	2,688	—	2,773	5,461	52,792	—
Total Plymouth	2,688	—	2,773	5,461	52,792	—
Wrangler	1,018	—	1,035	2,053	19,479	—
Total Jeep	1,018	779	1,035	2,053	19,479	12,285
CHRYSLER MOTORS	9,212	8,808	9,273	18,485	168,320	171,657
FORD MTR. (lt. trks.)	3,648	3,377	3,669	7,317	67,831	60,226
Light trucks	3,385	—	3,470	6,855	60,401	—
Vans	1,584	—	1,334	2,918	23,461	—
Total Chevrolet	4,969	—	4,804	9,773	83,862	—
Light trucks	1,415	—	1,648	3,063	29,081	—
Vans	561	—	743	1,304	13,118	—
Total GMC	1,976	—	2,391	4,367	42,199	—
GENERAL MOTORS	6,945	4,126	7,195	14,140	126,061	76,169
NAVISTAR	225	211	222	447	4,123	3,645
Total Trks., Canada	20,030	16,522	20,359	40,389	366,335	311,697
U.S., Canada Trks.	106,490	98,463	110,380	216,870	1,968,362	1,751,772

☆—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

5/25/88

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May

Automotive News

y 23, 1988

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The hottest-selling U.S. dealers of 1987

SALES GIANTS 87

The dealerships that hold the auto industry's 350 top-volume franchises — 10 for each major make — rang up total sales of $17.74 billion in 1987.

They delivered 966,474 new cars and trucks for those franchises.

Those 350 franchises comprise the 1987 Automotive News Sales Giants.

The franchises consist of the 10 volume leaders for each of the 10 traditional domestic divisions and the 25 top imports.

The 966,474 new vehicles sold by the 10 largest franchises for each of the 35 makes represented 6.44 percent of total industry car and truck sales of 15,009,577 in 1987.

Fleet sales — overlooked by some — accounted for more than half of all new cars and trucks sold by the Automotive News Sales Giants last year. Fleet sales for the 350 franchises totaled 494,567 units — or 51.17 percent of their total sales — clearly a significant part of the business and an important part of the picture.

In all, 327 dealerships held the 350 top-volume franchises included in the Automotive News Sales Giants. Some of those franchises are dualed in the same dealership.

Those 327 dealerships sold $1.55 billion in parts and service, and retailed 185,153 used vehicles last year.

Although there were 327 dealerships involved, there were fewer individual dealers than that because of the increasing consolidation of franchises, particularly among the high-volume dealerships.

One of the biggest organizations in 1987 was the Arnold Palmer group, with $1 billion in sales and 51,556 new-car and truck sales spread among its various dealerships.

Arnold Palmer and partner James O'Neal Jr. had six of the Automotive News Sales Giants franchises in four dealerships, including the highest-volume Ford and highest-volume Lincoln-Mercury franchises. The Palmer group also ranked as a top fleet sales organization.

Norman Braman, the dealer-entrepreneur who recently sold his stake in Austin Rover Cars of North America to Britain's Austin Rover Group, also was dealer or partner in six of the franchises on the list — in five dealerships.

One potent store, with four high-volume

see SALES GIANTS, page 38

Dealers hear pitfalls of going public

Loss of control, costs, risks, noted

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — If car dealers are to take their businesses public, a megadealer such as Roger Penske or Virginia-based Bob Rosenthal will have to lead the charge.

Only organizations with the right combination of size and reputation will be able to convince Wall Street that auto dealerships in general have a bullish future in the financial markets, said Donald L. Keithley, partner in charge of dealer services at J.D. Power and Associates.

Ironically, it is organizations such as Penske's and Rosenthal's that have said they have little interest in going public. Those sales giants have little trouble financing acquisitions and, therefore, have no incentive to relinquish control to shareholders.

Among the businesses owned by Penske are Longo Toyota, El Monte, Calif., the country's largest Toyota dealership; Roger Penske Cadillac, Downey, Calif.; Penske Auto Center (formerly Potamkin Cadillac), New York; Penske Honda, Downey, Calif.; and about 60 percent of the $900 million Detroit Diesel Corp. All four dealerships are listed among the Automotive News Sales Giants.

Rosenthal operates Rosenthal Honda and Rosenthal Nissan, both located in Vienna, Va; Rosenthal Mazda in Arlington, Va.; and other dealerships. Rosenthal's Honda, Nissan and Mazda dealership's are listed among the Sales Giants.

Keithley was a member of a three-man panel on public ownership of car dealerships at the American International Automotive Congress. Also participating were John E Reilly, senior vice president and general manager of

see PUBLIC, page 78

AUTOMOTIVE NEWS/JOE WILKENS

Chrysler Motors Chairman Gerald Greenwald, left, and Iacocca at the annual stockholders' meeting

Cost-cuts and complaints

Chrysler chips away at AMC cost burden

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — Chrysler Corp. has substantially reduced the $1.4 billion in fixed costs it acquired with the purchase of American Motors in the eight months since the buyout.

Chrysler Corp. Chairman Lee Iacocca, speaking informally after the annual stockholders meeting, declined to specify the amount the company has whittled from the fixed costs of the former AMC except to say the reduction has been "a lot."

A $200 million savings was achieved when the white-collar workforce was reduced by 3,500 employees at the end of 1987, Ia-

see CHRYSLER, page 77

GM retirees picket on health-care cuts

By Edward Lapham and Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTERS

DETROIT — Some 500 General Motors salaried retirees expressed their displeasure with cuts in health care benefits by picketing the company's 80th annual meeting here last Friday.

After two decades of facing picketing proponents of various social causes, GM executives last week were faced with disgruntled former colleagues. The protest moved inside the meeting, where several retirees confronted GM Chairman Roger B. Smith during shareholder question periods.

"You woke up a sleeping tiger in your salaried retirees by taking away our benefits,"

see GM, page 77

Naderites score double victory in CAFE ruling

By Helen Kahn
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Consumer groups may continue to sue government agencies over their regulatory decisions as the result of a split vote by the U.S. Court of Appeals.

The 5-to-5 vote let stand a lower court ruling against the EPA for retroactive fuel-economy credits granted the auto industry in July 1985.

If the decision is not appealed to the Supreme Court or if the court upholds the decision, EPA will have to go back and refigure fuel-economy numbers for 1981-84 and assess potentially millions in penalties for noncompliance with corporate average fuel economy laws.

And even though both General Motors and Ford Motor Co. say they are clear from civil penalties, there are absolutely no guarantees after EPA finishes its reassessment.

The Center for Auto Safety and Ralph Nader's Public Citizen argued successfully that if EPA in making its retroactive adjustments used factors that improved the manufacturers' fuel economy, it must use in the calculation any negative factors that would lower those figures.

"Without further appeal, we've got to go through rulemaking now to deal with that mileage-accumulation issue, which is likely to end up with some negative adjustments for the 1981-84 model years," said Robert Maxwell, head of EPA's mobile source certification division. How much that will cost the industry isn't known.

Of greater importance to the groups that brought the suit, however, is the "standing to sue" issue,

see CAFE, page 79

INDY: *Chevrolet revs up ad splash if it captures checkered flag*

By Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTER

INDIANAPOLIS — When the green flag falls Sunday to mark the start of the 72nd running of the Indianapolis 500 race, Chevrolet will have something to celebrate: For the first time, the five leading cars to start the race will be powered by Chevy's Indy V-8 engine.

And should a Chevy engine be mounted in the winning entry, it will touch off an advertising and marketing sales effort trumpeting the division's dominance of the Greatest Spectacle in Racing.

The first blow on the promotional horn appeared last week with newspaper advertisements announcing Chevrolet's powering of the pole position car of Penske team driver Rick Mears. Mears set all-time qualifying records for the single fastest lap and a record four-lap average speed of 219.198 mph.

see INDY, page 80

BOB HARMEYER

The pole sitter is powered by Chevrolet and driven by Rick Mears

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, BMW, Volvo
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DRI predicts slight gain in world car sales
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Delayed vote results seen hiding UAW woes
Page 4

Court trims big award in Toyota suit

Former Ford exec sued Mid-Atlantic

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

A Maryland court has reversed a $2.7 million award to a former Ford Motor Co. executive who said he was misled when lured to a job with the firm that operates Mid-Atlantic Toyota.

The decision by the Maryland Court of Appeals will likely mean a second jury trial in the case of Arthur Connors. The former vice president of marketing at Ford joined Frederick Weisman Co. in 1981. Two years later, he resigned in a contract dispute.

Among other things, Connors charged that he didn't receive some of the benefits and other compensation he was promised. He also resigned while performing the duties of general manager — a title he said he never wanted when he was hired away from Ford.

A Maryland circuit court awarded Connors $3 million in damages in 1985. That decision was upheld by a lower-level appeals court in 1987. Earlier this month, however, the state Court of Appeals reversed the $2.7 million awarded on a "negligent misrepresentation" charge. The court let stand a $222,000 breach of contract award.

According to court records, Connors first met with Weisman in 1981 in a meeting arranged through Korn/Ferry, an executive recruiting firm. At the time, Ford was losing billions of dollars annually. Weisman, meanwhile, was looking for someone to become executive vice president of his company.

Connors, who had spent 32 years at Ford, said the company's losses had nothing to do with his search, but he was frustrated by staff cuts and policy changes at Ford. Still, he had reservations about leaving, records show. In particular, he was skittish about losing the benefits that went along with his $140,000 salary — including bonuses, stock options, a pension plan, golf club membership and life insurance premiums.

Weisman and Connors were able to resolve those concerns, and Con-

see TOYOTA SUIT, page 78

Automotive News World Outlook

Generated by Data Resources Inc.
(In Millions)

	1988	1988	1987	1988	1989	1990	1991	1992
New car registrations								
Total Western Europe*	10,608	11,635	12,371	12,283	11,625	11,982	12,340	12,445
Germany	2,379	2,829	2,916	2,773	2,601	2,696	2,603	2,620
France	1,766	1,912	2,105	2,071	1,946	2,031	2,184	2,256
United Kingdom	1,832	1,882	2,014	2,004	1,896	1,926	1,964	1,908
Italy	1,746	1,825	1,977	2,029	1,818	1,834	1,885	1,928
Total U.S.	11,043	11,452	10,227	10,100	9,800	10,002	10,002	10,302
Asia-Pacific**	1,240	1,119	1,325	1,512	1,509	1,615	1,691	1,766
Japan	3,104	3,146	3,275	3,478	3,549	3,441	3,479	3,514
Total Africa-Mid East	1,268	1,185	1,168	1,252	1,306	1,389	1,510	1,595
Total Latin America†	1,226	1,250	970	910	1,069	1,100	1,273	1,290
Total Eastern Bloc	2,195	2,171	2,237	2,334	2,407	2,466	2,548	2,630
Car production								
Total Western Europe*	11,204	11,818	12,518	12,498	12,008	12,407	12,793	12,870
Germany	4,167	4,311	4,374	4,236	4,023	4,103	4,196	4,271
France	2,632	2,773	3,052	3,032	2,893	3,019	3,126	3,160
United Kingdom	1,048	1,019	1,143	1,214	1,253	1,348	1,405	1,412
Italy	1,389	1,652	1,713	1,827	1,729	1,774	1,781	1,772
Total North American	9,277	8,889	7,831	7,564	7,407	7,492	7,671	7,931
Asia-Pacific**	869	1,042	1,454	1,808	1,928	2,115	2,240	2,352
Japan	7,647	7,810	7,891	7,736	7,671	7,605	7,607	7,737
Total Latin America†	1,174	1,166	1,126	1,201	1,440	1,541	1,718	1,736
Mexico	297	208	277	393	528	613	645	625
New truck registrations								
Western Europe***††	208	222	252	249	242	243	243	243
U.S.	4,450	4,640	4,650	4,690	4,520	4,380	4,240	4,540
Truck production								
Western Europe***	294	289	305	316	304	308	308	308
North America	4,325	4,177	4,310	4,090	4,070	4,100	4,040	3,980

*Includes Germany, France, United Kingdom, Italy, Netherlands, Belgium, Denmark, Ireland, Greece, Sweden, Norway, Finland, Switzerland, Austria, Spain and Portugal.
**Includes Taiwan, South Korea, Peninsular Malaysia, India, and Australia but excludes Japan, which is listed separately.
***Includes Germany, France, United Kingdom, Italy, Spain, Sweden, Netherlands, Belgium, Denmark, Switzerland, Norway, Finland, Portugal and Austria.
†Latin America includes Mexico, Brazil and Argentina.
††Western Europe truck registrations and production numbers are for trucks over six tons; no vans.

May 1988

UPSWING: *DRI predicts slight gain in world car sales; U.S. estimate trails '87*

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

A new study estimates that worldwide new-car sales will edge upward by 86,000 units or 0.26 percent in 1988 to 32.74 million units vs. 32.65 million in 1987.

The Automotive News-DRI World Outlook forecasts that global demand for cars will remain relatively flat until the end of the decade because of a slight weakening in Europe and the United States, but will begin to climb again in the first four years of the 1990s.

The World Outlook, a joint project of Data Resources Inc. and Automotive News, is compiled by Data Resources Inc.'s Boston and London operations.

The London-based DRI Europe is projecting slightly lower 1988 car sales for Western Europe, North America and Latin America, but its forecasts for Japan and the Asia-Pacific region are upbeat and include sales gains of 6 and 14 percent, respectively.

North America's 1988 car sales are predicted to be 11.28 million, a mere 5,000 units below 1987.

The U.S. new-car sales forecast has been revised upwards and is nearly back to the research group's estimate before the Oct. 19 stock market crash.

Before last October's collapse, DRI's 1988 U.S. car sales forecast was 10.50 million units. It was cut to 9.99 million, but now is 10.30 million.

"The economy has performed more strongly. People have jobs . . . and they are regaining confidence," said Bernard Campbell, DRI director of transportation services, about the revised number.

The outlook for North American car production remains gloomy with output falling in the next few years before picking up again as more transplants come on line, according to DRI's forecast. The prediction for the total North American car build has been revised downward to about 7.56 million units for 1988, a decline of 267,000 units from last year's 7.83 million. DRI projects that United States car production will drop 395,000 units to 6.63 million units in 1988.

Sales in Western Europe will slip less than one percent, or 88,000 units, from a record 12.37 million to 12.28 million in 1988, DRI predicted.

DRI expects a sharper downturn of 5.5 percent for 1989, to about 11.6 million units.

European production will decline by 20,000 units to 12.50 million in 1988, according to the forecast.

West German makers are expected to bear the brunt of slackening demand for new cars because of a weaker domestic market and a drop in exports to the United States and within Europe in 1988 and 1989. DRI also sees a slight sales decline in France and a slight increase in Italy in 1988.

Exports from Germany to the United States have been affected by the dollar exchange rate and several price increases. European sales in the United States fell by 90,000 units in 1987, and DRI Europe expects sales to fall again in 1988.

Japan's new-car registrations are forecast to rise 203,000 units, from about 3.28 million to about 3.48 million in 1988.

In the Asia-Pacific region, the group predicts continued growth of production and sales for South Korea. DRI expects South Korea to produce more than one million cars in 1988 and 1.5 million by 1992.

B-O-C may move engineers

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

The only thing holding up a planned consolidation of Buick-Oldsmobile-Cadillac Group engineers at the idled Fisher 1 assembly plant in Flint, Mich., is a tax-abatement plan for the developer who will revamp the facility.

"The corporation is racing to get it done, because it's more urgent than ever to get new products to market," said Dave Yettaw, president of UAW Local 599 in Flint. "The UAW has got all its ducks in a row," he said.

A B-O-C spokeswoman said, however, that consolidating the engineers, who are in two locations — in Troy, Mich., and in Flint — at the renovated Flint site is just "one plan" and it "hinges on a lot of things."

Adding, "we want them in one spot," the spokeswoman declined to discuss other possibilities for the consolidation.

Yettaw said a new pact has been hammered out for the approximately 120 skilled tradesmen who will be moving from Factory 78 in Flint — a testing and engineering facility — to the Fisher 1 plant to support about 1,200 B-O-C engineers. The skilled tradesmen could move in 12 to 18 months, he said.

The engineers in the proposed consolidation, who are assigned to C- and H-body platforms, are responsible "for engineering the total car, including manufacturing engineering," the spokeswoman said.

GM is selling the plant to a developer, Yettaw said, with GM's Argonaut Realty as "middleman."

Yettaw said though he has been an opponent of tax abatement for corporations, Flint Mayor Matthew Collier "has come up with a solution that puts a new twist on tax abatement." Yettaw sees the solution as a breakthrough in the controversy over tax abatement.

A spokesman for Collier said, "We are withholding comment. We know of no definitive plans by GM relative to that complex."

Yettaw said the plan for the idled plant offers "tremendous potential" for the Flint area. He believes 3,000 engineers could eventually work at the modernized facility, "with a corresponding ratio of skilled tradesmen."

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Japan plays World Congress role

DETROIT — Four high-ranking executives of Japanese automaking and import companies will be among the main speakers during the 13th annual Automotive News World Congress at the Westin Hotel, July 17-20.

They are: Norimasa Furuta, president, Mazda Motor Corp., Hiroshima, Japan; Kazutoshi Hagiwara, president, and Thomas D. Mignanelli, executive vice president of operations, Nissan Motor Corp. in U.S.A., Carson, Calif.; and Richard Recchia, executive vice president, Mitsubishi Motor Sales of America, Fountain Valley, Calif.

The World Congress will mark Furuta's first U.S. public appearance since becoming president of Mazda last December, succeeding Kenichi Yamamoto.

A one-time career bureaucrat in Japan's Ministry of International Trade and Industry, Furuta joined Mazda in 1985 as an adviser, later becoming a senior managing director. His surprise appointment as Mazda president marked the first time a Japanese automaker had turned over its top post to a non-company man.

Hagiwara became president of Nissan's U.S. import company in 1986, following tours of duty in several countries, including the United States from 1970 to 1978.

On May 1, Nissan reorganized its U.S. sales, service and parts functions. Three separate divisions were formed — Nissan, Infiniti and parts and service.

All three report to Mignanelli, who left Lincoln-Mercury in 1987 to join Nissan as vice president — sales and marketing.

Nissan's reorganization has been described as the last step in implementing a plan that Hagiwara began in mid-1986.

Recchia, who is chief operating officer of Mitsubishi Motor Sales, joined the import firm in 1981. Earlier, he was president of Fiat Motors of North America and spent 15 years in sales and management positions with Chrysler Corp.

Hagiwara will address the World Congress on Monday, July 18, at 9:45 a.m.; Furuta, on Tuesday, July 19, at 10:30 a.m.; and Recchia and Mignanelli, on Wednesday, July 20, at 9 a.m. and 10:30 a.m., respectively.

For further information, write Automotive News World Congress, 1400 Woodbridge, Detroit, MI 48207 or telephone 313-446-6047. The cable address is TWX 810-221-5122 AUTNEW DET.

Election day near for All-Star team

The time is near for readers to choose the Automotive News 1988 All-Star Team.

But we're throwing you a curve. In previous years, votes were cast only by the Automotive News editorial staff.

By popular demand, this year all Automotive News readers are asked to cast ballots for our midsummer Dream Team.

You'll be able to vote for your favorite auto company chief executive, operating officer, general manager — every industry position right down the line.

So dust off your scouting reports. Decide who's on first and what's on second. Get ready to choose the best for the 1988 model year.

An official ballot will appear in the May 30 issue of Automotive News.

TRUCK INDUSTRY

April truck sales by manufacturer and segment

		14,000 & LESS GVW CLASS 1-3	14,001-16,000 GVW CLASS 4	16,001-19,500 GVW CLASS 5	19,501-26,000 GVW CLASS 6	26,001-33,000 GVW CLASS 7	33,001 & OVER GVW CLASS 8	TOTAL 1988	TOTAL 1987
CHRYSLER-PLYMOUTH	MO	17,606						17,606	12,015
	YR	61,673						61,673	34,814
DODGE	MO	53,264						53,264	50,970
	YR	198,892						198,892	176,486
JEEP	MO	20,019						20,019	17,144
	YR	79,049						79,049	64,949
TOYOTA	MO	19,406						19,406	29,816
	YR	77,134						77,134	96,702
NISSAN	MO	13,918						13,918	20,483
	YR	55,606						55,606	76,611
MAZDA	MO	8,522						8,522	10,807
	YR	35,513						35,513	38,638
ISUZU	MO	5,734						5,734	9,714
	YR	24,861						24,861	31,387
MITSUBISHI	MO	4,146						4,146	4,606
	YR	17,110						17,110	15,732
SUZUKI	MO	6,165						6,165	8,341
	YR	22,948						22,948	28,942
RANGE ROVER	MO	248						248	170
	YR	1,145						1,145	249
FORD	MO	122,913	1,936		920	2,678	1,156	129,603	133,510
	YR	492,142	5,362		3,460	11,395	4,140	516,499	485,971
FREIGHTLINER	MO						2,080	2,080	2,109
	YR						8,087	8,087	6,775
CHEVROLET	MO	106,745		30	749	975	40	108,548	104,446
	YR	436,585		92	2,832	3,285	143	442,937	370,546
GMC	MO	26,009		742	1,556	2,324	181	30,812	32,943
	YR	112,323		1,772	5,756	6,494	779	127,094	113,979
KENWORTH	MO					47	1,535	1,582	1,242
	YR					177	5,008	5,185	4,276
MACK	MO				163	217	1,948	2,328	2,474
	YR				638	847	5,865	7,350	7,641
MERCEDES	MO				95	150		245	350
	YR				352	609		961	1,268
NAVISTAR	MO			17	42	1,736	2,538	3,163	7,496	6,890
	YR			71	145	6,831	10,326	11,102	28,475	23,140
PETERBILT	MO					86	1,420	1,506	968
	YR					150	4,912	5,062	2,991
VOLVO	MO					104	1,084	1,188	1,322
	YR					367	4,190	4,557	3,930
HINO	MO				36	34	59		129	112
	YR				211	166	304		681	572
NISSAN DIESEL	MO				44	22	82		148	76
	YR				240	134	363		737	452
ISUZU TRUCK	MO	585	58	16	60	26		747	460
	YR	1,853	109	47	482	101		2,372	1,556
MITSUBISHI FUSO	MO	117		43	12	29		201	102
	YR	388		38	66	161		713	265
SCANIA	MO						13	13	4
	YR						61	61	50
IVECO TRUCKS	MO	121	87	38	24			270	294
	YR	329	196	109	68			702	867
WESTERN STAR	MO						104	104	150
	YR						582	582	290
OTHER DOMESTICS	MO				8		81	89	108
	YR				22		242	264	349
GRAND TOTAL	MO	405,518	2,088	1,992	5,370	9,315	12,905	436,117	451,757
	YR	1,617,331	5,738	2,714	20,787	34,569	45,091	1,726,230	1,571,355
1987 YR to DATE		1,490,996	220	3,120	13,348	33,375	40,294		

NOTE: Subaru sales of 2 units included in Class 3 Grand Total and also in 1988 monthly grand total. Sales of 9 Subarus included in year-to-date 1988 Class 3 total and year-to-date 1988 Grand Total. Sales of 142 Subarus included in 1987 Class 3 and 639 in 1987 Grand Total.
Class 1-3 sales data reported by individual manufacturers. Class 4-8 data reported by Motor Vehicle Manufacturers Association.

New GM mediums due to roll in August '89

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

ANAHEIM, Calif. — Production of General Motors' all-new GMT 530-series medium-duty truck to be introduced in the 1990 model year is scheduled to begin in August 1989.

John D. Rock, general manager of GMC Truck Division, said the new model will be produced at expanded facilities in the Buick-Oldsmobile-Cadillac Group's plant in Janesville, Wis.

Construction of a 160,000-square-foot addition to the plant for the 530 series is well under way, Rock told a press conference at the International Trucking Show here.

More than one million square feet will be utilized for medium-duty truck production.

Rock said the GMT 530 truck program is designed to ensure and intensify GM medium-duty truck leadership in the 1990s.

"We also believe it will be setting new standards for the industry into the 21st century," he said.

"It encompasses advancements in manufacturing technologies, in employee participation and in our relationships with suppliers and is a tangible definition of GM's commitment to the medium-duty business."

The prime functions at the new facility include a robotic body shop, paint, engine, trim and final assembly.

Rock said the program is on schedule in all aspects — facilities, prototype build and testing.

During production start-up in Janesville, there will be a transition period in which some carryover medium-duty production will continue at the truck and bus group's plant in Pontiac, Mich., Rock said.

"Our Pontiac production is planned to continue into the 1990 calendar year but, at this time, I cannot say how long," he added.

"It will be contingent on such factors as market conditions and Janesville production acceleration rates."

Rock called the upcoming GMC and Chevrolet medium-duty trucks all-new from the bottom up.

"They are designed for more trucking applications than our current lineup fills, and they will do so with an estimated 40 percent fewer parts," he said.

"The benefits are obvious: significantly reduced parts inventory requirements at the plant, at parts warehouses, at operator locations and at dealerships. All this translates into greater cost-effectiveness for all parties and less overtime in trucking operations."

About 65 percent of GM's medium-duty truck business is in the fleet segment where buyers are extremely sensitive to price and life-cycle cost, Rock said.

The new series meets those fleet requirements, he added.

"At the same time, we are responding to the vocational market with a full line of easily spec'ed options to satisfy vocational application requirements," he said.

Gasoline and diesel engines will power the new trucks. The powerplant lineup includes three electronically fuel-injected gasoline engines and Caterpillar's new in-line 3116 diesel.

The new Caterpillar engine will complement GM's 8.2-liter diesel in the new series of trucks. The Cat 3116 will be available in horsepower ratings of 165, 185, 215 and 250 with torque rise characteristics for a wide range of truck, tractor and school bus applications.

Rock predicted a tough era for manufacturers of medium-duty trucks, with unprecedented competition and cost pressures, but added that "with the GMT 530 program, we will enter the new era totally committed and confident — confident not smug and complacent. We respect our competitors and we can learn from them. But we don't fear them."

He sees trucks generally continuing to be the hottest segment of the motor-vehicle market.

Trucks of all types accounted for more than one-third of all motor-vehicle sales in the first half of the 1988 model year, their biggest share in history.

Paced by the unprecedented popularity of light trucks, U.S. truck sales reached 2.5 million units through March 31, the midpoint of the current model year, Rock said. That was a gain of 9.60 percent over a year earlier.

Rock predicted that, based on the outlook for the next five months, sales for the 1988 model year will top 1987's 4,963,000 to set a record for the fourth consecutive model year.

With strong levels of consumer confidence and a favorable economic climate, Rock said the industry could ring up more than 4.7 million light-duty sales, about 155,000 medium-duty sales and about 120,000 Class 8 heavy-duty sales for the 1988 model year.

That would be a remarkable performance by the truck industry, Rock said, adding that "even if last year's record is not broken, we'll come awfully close to it."

GMC Truck Division is shooting for record sales in the 1988 model year. It topped 183,000 deliveries for the 1988 model year through March 31, up 12 percent from that point in the 1986 model year when it posted its record of 353,000 retail deliveries.

NHTSA studies California request

WASHINGTON — In granting a request from the California Highway Patrol, NHTSA said it will study specialized standards for fuel-system integrity of heavy-duty trucks.

The standards would be designed to reduce the number of fuel spills caused when objects in the roadway strike fuel tanks or fuel lines on heavy trucks and truck tractors. Currently, Standard 301 on fuel-system integrity covers only cars, trucks and buses having GVW ratings of 10,000 pounds or less.

The California Highway Patrol submitted data on 142 diesel truck fuel spills that showed a third were caused by an object on the road being struck by the vehicle's front wheels and thrown against the tank or fuel lines.

NHTSA said "the granting of this petition does not necessarily mean that a rule will be issued," but that following the study, a rulemaking procedure may begin.

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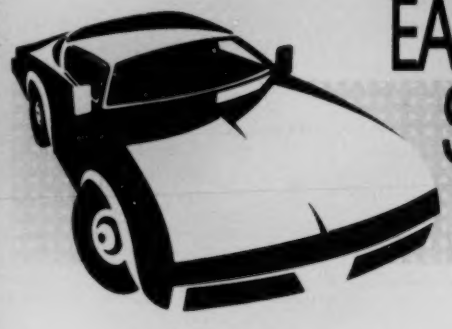

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New fires assail Ford ambulances

By Jack Bernstein
SPECIAL CORRESPONDENT

JEFFERSON CITY, Mo. — Ford Motor Co. — nearing the end of a voluntary recall to correct fuel spurting that caused fires in ambulances built on its E-350 chassis and from its vans — confirmed reports of fires involving ambulance cooling systems.

Meanwhile, the Center for Auto Safety has asked NHTSA to force Ford to recall 16,000 1983-87 Ford E-350 ambulances because the vehicles are prone to engine compartment fires. The center cited ambulance fires in Missouri, Oregon, Virginia, Minnesota and Nevada, allegedly involving the failure of radiator coolant hoses, which caused antifreeze to leak and catch fire.

For several years, fires related to gasoline spurting from the fuel tank have dogged ambulances built by conversion companies using Ford's E-350 chassis and its vans.

Pressed by state attorneys general and NHTSA, Ford announced last July that it would voluntarily recall ambulances made between 1983 and 1987 to make modifications against potential fires caused by fuel pressurization.

But now the company is investigating a new problem that involves the cooling systems of ambulances that caught fire. Odors of antifreeze were noted by drivers in Missouri and Oregon prior to each of the blazes. The cooling systems had been modified by an ambulance conversion company.

A Ford spokesman said the ambulances in Missouri and Oregon had been modified by Ford against potential fires caused by fuel pressurization.

The Oregon fire started in the engine compartment and the operator doused it before the engine was damaged extensively. Ford determined the fire was caused by problems in the cooling system.

In Missouri, the fires damaged the ambulances so badly Ford engineers were unable to make an exact determination of the cause. The Missouri fires occurred April 7 and 9.

A spokesman for Ford parts and service division said the automaker is aware of the fires reported to NHTSA that may have been caused by leaking coolant. The company is collecting more information and will take appropriate action as soon as possible, he said.

The automaker also is looking at conversion companies and the use of non-Ford hoses, any incorrect connections and rerouting of hoses, as well as whether the coolant had been mixed with the recommended 50 percent to 60 percent water concentration.

Missouri Attorney General William L. Webster said the ambulances that caught fire in his state were built on the Ford E-350 chassis by Collins Ambulance Corp., Hutchinson, Kan. Webster has mailed warnings to the state's 245 emergency medical systems.

The April 7 fire occurred as the driver was en route to a hospital to attend a paramedic refresher course. The April 9 fire started when the ambulance was responding to an automobile accident. Both ambulances are less than two years old.

"The scenario in both these (Missouri) fires was the same," Webster said. "The drivers smelled antifreeze, noticed smoke pouring from the engines, and within 10 to 15 minutes, the engines were engulfed in flames."

Ford officials have suggested that operators check the cooling systems, particularly the radiator hoses, and that hoses be covered with a protective shield.

"In both of these recent fires, the aftermarket manufacturer had severed the hose running from the water pump to the core, inserted a Y- or T-joint and rerouted part of the coolant flow to a compartment in the back of the ambulance," Webster said.

Ford said it has voluntarily recalled 14,668 ambulances for safety modifications being done in two phases to correct gasoline pressurization problems.

The E-350 vans and chassis converted to ambulances have been involved in 34 fires nationwide, and customers have complained that gasoline spurts from the fuel tank.

Phase one modifications have been made to 12,050 ambulances, and 9,268 have been completely modified.

The modification kits include a fuel tank vent valve, a grommet for the valve, a fuel tank restrictor and a heat shield for the muffler.

Automotive News Staff Reporters Helen Kahn in Washington and Charles M. Thomas in Detroit contributed to this report.

Trucks are bright spot in Canadian sales

By Bill Vance
SPECIAL CORRESPONDENT

TORONTO — New-vehicle sales in Canada slipped in April from the year-earlier period, though a booming truck market and a rush of buyers avoiding a tax hike softened the blow and helped keep sales above 1987's January-April pace.

The industry reported 157,030 domestic and imported vehicle sales during the month, down 3.79 percent from the 163,211 sold in April 1987. On a year-to-date basis, 502,480 domestic and imported vehicles were sold, a 4.48 percent increase over 1987.

Domestic-car sales totaled 237,534 units for the January-April period, virtually identical to last year's 237,303. Import-car sales were 104,119 units, a 4.42 percent drop from the 108,932 units sold in the same 1987 period.

Domestic trucks posted a 19.52 percent sales increase over the first four months of last year, while imported trucks were up 18.34 percent.

Combined domestic- and imported-car sales totaled 107,778 units last month, a 9.54 percent decrease from the 119,138 sold in April 1987. Dealers sold 74,832 domestic cars during the month, compared with 82,322 in the year-earlier period. Import-car sales dipped to 32,946 units, compared with 36,816 in April 1987.

Sales of domestic and imported trucks continued at a rapid pace, increasing 11.75 percent over the year-earlier month. Dealers sold 49,252 domestic and imported trucks, compared with 44,073 in April 1987.

Suzuki led the way with a 95.99 percent year-to-year increase, while Chrysler Canada continued with strong import- and domestic-truck sales, up 39.75 percent over the previous April.

After strong March sales, the pace of cars moving out of showrooms slowed in the early part of April. Later in the month, however, the announcement that the provincial sales tax was being raised to 8 percent from 7 percent effective May 1 increased dealer activity.

In spite of that, only Volkswagen, Mazda, Suzuki, Subaru and Jaguar showed sales gains, with the most spectacular going to Suzuki, up 193.57 percent.

CANADIAN CAR AND TRUCK SALES

	Apr. 1988	Apr. 1987	4 mos., 1988	4 mos., 1987
Domestic Cars				
General Motors	37,940	40,953	118,125	120,096
Ford	19,930	22,136	65,584	64,554
Chrysler	15,657	17,999	50,256	50,252
Honda	1,117	984	2,941	1,648
Volvo	188	250	628	754
Domestic car total	74,832	82,322	237,804	237,380
Import cars				
Honda	8,799	7,238	19,833	21,912
Toyota	6,432	6,697	21,139	18,946
Volkswagen	3,991	3,884	12,464	10,230
Mazda	3,330	2,883	10,380	8,118
Hyundai	3,309	6,051	10,539	18,910
Nissan	2,479	4,214	9,400	12,408
General Motors	2,203	1,661	7,234	4,519
Chrysler	1,197	1,076	2,481	3,401
Suzuki	822	280	2,586	739
Subaru	716	501	2,075	2,331
Ford	606	985	1,195	2,864
BMW	541	568	1,658	1,516
Mercedes-Benz	370	500	1,298	1,462
Jaguar	281	127	806	644
Saab	125	190	474	579
Lada	122	93	370	290
Skoda	33	98	179	224
Import car total	32,946	36,816	104,119	108,932
TOTAL — ALL CARS	107,778	119,138	341,883	346,236
Domestic trucks (including vans)				
GM	17,022	18,313	56,720	51,295
Ford	15,456	15,283	48,841	45,640
Chrysler	11,365	8,081	37,774	23,000
Domestic truck total	43,843	39,677	143,335	119,935
Import trucks (including vans)				
Toyota	1,887	1,230	5,211	3,802
Nissan	1,419	1,364	4,821	5,576
Mazda	1,217	1,042	3,554	3,193
Suzuki	537	274	1,970	921
Chrysler	371	317	1,241	795
Volkswagen	93	149	263	406
GM	67	8	667	227
Lada	18	12	45	59
Import truck total	5,409	4,396	17,462	14,791
TOTAL — ALL TRUCKS	49,252	44,073	160,837	134,726

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SALES GIANTS 87

continued from page 1

franchises under the same roof, was Prospect Motors, Jackson, Calif. Dealer Bill Halvorson sells all five General Motors passenger-car makes, and Prospect Motors was one of the top 10 for each of the divisions except Buick.

The Penske organization also had four of the top franchises — in four separate dealerships — including the Manhattan Cadillac store it bought from the Potamkin organization late last year and converted to the Penske Auto Center.

Other four-franchise dealers were Joseph DeMaria, whose Miami-based "Collection" dealerships made four separate lists from separate locations, and James W. Ellis Jr. with four top franchises in two stores in Atlanta.

In addition, there were four dealers with three high-volume franchises, and another 29 dealers with two franchises included among the Automotive News Sales Giants.

There also were six discernible instances where dealers had relatives who also operated franchises that made the list.

There were some extremes among the Automotive News Sales Giants.

The highest total dollar sales for a dealership was $312.5 million, reported by Polkowitz Motors, Perth Amboy, N.J. Polkowitz was the top-volume Cadillac franchise and handles other makes in the same location.

The franchise with the highest number of new-unit sales was Ed Morse Chevrolet, Lauderhill, Fla. with 25,063 deliveries.

Based on the performance of all the franchises in the Automotive News Sales Giants, the profile of the average franchise in 1987 was 2,761 new-unit sales, including 1,413 fleet units and 1,348 retail units. Those franchises were part of dealerships that averaged $54.28 million in total sales.

ACURA: The Acura dealer organization was still in the formative stages last year, but a number of dealers were able to quickly establish themselves as high-volume operators. Many of the largest-volume franchises in 1987 were in business for less than the entire year.

Last year's list of 10 largest-volume Acura dealers is as much a function of who got what planning volume when, since several high-potential dealers opened too late in the year to be among the 1987 volume leaders.

The top-volume dealer in 1987 was Tustin Acura, Tustin, Calif., where dealer Shau Wai Lam emphasized customer satisfaction, continuous training programs and "a fast response to a changing business climate" to narrowly outsell Acura 101 West, Calabasas, Calif., although Acura 101 West has taken a fast lead in 1988.

ALFA ROMEO: The list of the 10 best-selling Alfa Romeo franchises in 1987 is very familiar; eight of the 10 — including pack leader Suburban Auto Imports, Mayfield, Ill. — were repeaters from 1986.

Obviously, the Milano was an important product for the Alfa Romeo dealer group, with sales leader Suburban Auto Imports reporting the Milano Quad convertible as its best-selling model.

Dealers cited usual factors like attention to customer satisfaction and "hard work and commitment" as reasons for repeat successes.

However, William A. Wegge III, Wegge Motor Cars, Pasadena, Calif., said product exclusivity was the key.

Only four of the 10 biggest Alfa Romeo dealers had an exclusive

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RETAIL LEADERS 87

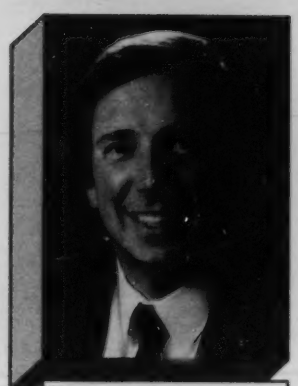
Rank	Franchise	Location	1987 Retail New Units
1	Longo Toyota	El Monte, Calif.	12,744
2	Gateway Toyota	Toms River, N.J.	11,198
3	Covington Pike Toyota	Memphis, Tenn.	9,304
4	Jim Johnson Chevrolet	Richardson, Texas	7,748
5	Ricart Ford	Columbus, Ohio	7,530
6	Galpin Ford	Sepulveda, Calif.	6,369
7	Dave Sinclair Ford	St. Louis, Mo.	6,190
8	Toyota of Hollywood	Hollywood, Fla.	5,702
9	Gardena Honda Automobiles	Gardena, Calif.	5,691
10	Toyota of Orange	Orange, Calif.	5,646
11	Elmore Toyota	Westminster, Calif.	5,066
12	West Covina Mitsubishi	West Covina, Calif.	4,500
13	Robertson Honda	North Hollywood, Calif.	4,400
14	Toyota of Cerritos	Cerritos, Calif.	4,394
15	Rice and Holman Ford	Mt. Laurel, N.J.	4,277
16	ABC Nissan	Phoenix, Ariz.	4,188
17	Autoplaza Nissan	Westbury, N.Y.	4,077
18	Kendall Toyota	Miami, Fla.	4,000
19	Toyota of Garden Grove	Garden Grove, Calif.	3,622
20	Harbor Nissan	Harbor City, Calif.	3,613
21	Tasca Lincoln-Mercury	Seekonk, Mass.	3,517
22	Rosenthal Nissan	Vienna, Va.	3,488
23	Z. Frank Chevrolet	Chicago, Ill.	3,477
24	Norm Reeves Honda of Cerritos	Cerritos, Calif.	3,319
25	Hyundai of Escondido	Escondido, Calif.	3,308

TOPS IN NEW-UNIT SALES 87

1. Edward J. Morse Jr.
Ed Morse Chevrolet
Lauderhill, Fla.
25,063

2. Mark A. Eddins
Friendly Chevrolet
Dallas, Texas
20,543

3. Marc W. Davis
The Chevrolet Collection
Miami, Fla.
19,825



4. John Clark
Longo Toyota
El Monte, Calif.
19,452

4. James O'Neal Jr.
Fairway Ford
Latrobe, Pa.
19,452

6. Craig Kapson
Jordan Ford
Mishawaka, Ind.
17,579

7. Bill Wink
Bill Wink Chevrolet
Dearborn, Mich.
16,979

8. John Fitzgerald Jr.
Lake Forest C-P
Gaithersburg, Md.
14,783

9. Robert Brest
Bob Brest Chevrolet
Lynn, Mass.
14,510

10. Regis P. McGuire
Polkowitz Motors (Cadillac)
Perth Amboy, N.J.
13,592